United Nations E/CN.3/2012/5

Economic and Social Council

Distr.: General
20 December 2011

Original: English

Statistical Commission
Forty-third session
28 February-2 March 2012
Item 3 (c) of the provisional agenda*
Items for discussion and decision: national accounts

Report of the Friends of the Chair on the barriers to the implementation of the System of National Accounts 1993

Note by the Secretary-General

In accordance with a request of the Statistical Commission at its forty-second session (see E/2011/24, chap. I.A), the Secretary-General has the honour to transmit herewith the report of the Friends of the Chair on the barriers to the implementation of the *System of National Accounts 1993*. The Commission is requested to express its views on the points for discussion set out in section IX of the report.

* E/CN.3/2012/1.

11-64593 (E) 271211

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Report of the Friends of the Chair on the barriers to the implementation of the *System of National Accounts 1993*

I. Background/context

1. At its forty-first session, the Statistical Commission accepted the suggestion of the Australian delegation to set up a friends of the chair group to assist the Commission in identifying the causes of the slow and limited adoption of the *System of National Accounts 1993* (1993 SNA),[1] as well as make suggestions on the way forward, given that the 1993 SNA had been updated to the 2008 SNA.

2. A number of countries have made notable progress in implementing national accounts in the last 10 years. In 2009 the Intersecretariat Working Group on National Accounts reported that 84 per cent of Member States were able to report at least some national accounts data. However, differences in methodologies and gaps in data sources may lead to variability in the quality of data and a lack of comparability. There are still many countries that do not comply with the 1993 SNA.

3. In 2007 analysis of national accounts data by the Statistics Division showed that 63 per cent of Member States had implemented the 1993 SNA. Furthermore, the majority of developed countries and economies in the Commonwealth of Independent States had reported national accounts data according to the 1993 SNA methodology. Despite such progress, the 2009 report of the Working Group stated that 40 per cent of member countries and only 10 per cent of small island developing States and least developed countries had been able to report the minimum required data set, which is used to determine whether countries have implemented the 1993 SNA. This situation highlights the slow progress in implementation of the SNA standard, particularly among developing countries, and demonstrates the need to address adequately the barriers hindering the implementation process. With various stages of progress in developing national accounts there is cause for concern about data quality and, as a result, the lack of international comparability.

4. Following the adoption of the 2008 SNA as the international standard for compilation and dissemination of national accounts, the implementation programme proposed by the Working Group gained support from the Commission at its fortieth session in February 2009. The main objective of the 2008 SNA implementation strategy is to assist countries in developing the statistical and institutional capacity to improve the scope, detail and quality of their national accounts and supporting economic statistics.

5. However, with many countries having yet to implement a full set of national accounts and/or upgrade their accounts to the 1993 SNA, the changeover to the 2008 SNA is regarded as premature and problematic. For such countries the primary challenge is to develop and strengthen their national accounts; the specific move to the 2008 standard needs to be undertaken within that context.

[1] United Nations publication, Sales No. E.94.XVII.4.

6. In the light of these concerns, the Friends of the Chair group was formed to identify and suggest solutions to the barriers to implementation of national accounts and reflect on the 2008 SNA implementation programme.

7. The following analysis incorporates the outcomes of the Friends of the Chair group meeting in February 2011 and the analysis of responses to a survey of the experiences of members of that group conducted by the Australian Bureau of Statistics. The present document analyses the barriers to implementation of the System of National Accounts, identifies areas for improvement in the implementation process and affords a reflection on the current implementation programme for the 2008 SNA. A set of recommendations has been proposed as a result of the analysis. Those recommendations seek to promote progress in implementation of the System of National Accounts. The main value added from this exercise was to shed light on some of the underlying reasons for the frequently articulated concern: "not enough resources and capability".

II. Analysis

8. The two most prominent barriers impeding the implementation of the System of National Accounts, as indicated by members of the Friends of the Chair group, are:

(a) Lack of political support;

(b) Availability of basic data sources.

III. Political support

9. The level of political support is partly reflected in the level of capability of national statistical offices to develop and maintain a set of national accounts. Those offices need effective political support if they are to secure resources to overcome such obstacles as lack of staff and make necessary improvements in data sources.

A. "SNA ready"

10. Countries in the process of developing national accounts need to be "SNA ready", which means that key players and stakeholders in a national statistical system need to understand and agree on the value of the statistics derived from national accounts and be genuinely committed to their development. The most significant challenge hindering the implementation of the System of National Accounts in many countries is the lack of commitment from their Governments to invest in the resources required.

11. Attendees at the Friends of the Chair group meeting agreed that a major barrier to implementation of the System of National Accounts in a number of countries is the lack of conviction at senior levels of government about the value of those statistics. The questionnaire sent to members of the Friends of the Chair group was aimed at seeking the assessment of heads of statistical agencies regarding the value placed on the System of National Accounts by their Governments. The responses indicated that Governments understand the importance of developing national

accounts and the need for such statistics as gross domestic product (GDP) for economic analysis and for fostering high-quality economic policy. Nevertheless, this understanding does not mean that national accounts enjoy sufficient priority in the national funding allocations to secure the resources required for their development.

12. Friends of the Chair group members indicated that perceptions of accuracy, timeliness and frequency of compilation of national accounts affected their Governments' views of the value of such statistics as a source of information for economic policy. National statistical offices noted that in times of economic and financial difficulty, such as the recent global financial crisis, timeliness and frequency of data are important for early warning of vulnerability and exposure to global economic shocks. However, statistical offices tended to place higher value, and hence priority, on the reliability and internal coherence of their SNA data, often ahead of improving frequency or timeliness. National statistical offices believed that large revisions to data or inconsistencies in published results undermine the confidence of Governments in their statistical agencies and lead to unwillingness to spend more money to strengthen their capability.

13. It is important that statistical offices and Governments be aware of the interdependence of SNA components. Several countries noted that Governments placed higher priority on some SNA components ahead of others without appreciating their interdependence. Respondents to the questionnaire noted that Governments prioritize quarterly GDP measures over annual GDP measures and highlighted higher government demand for satellite accounts for sectors, such as natural resources or tourism, that were of particular significance in their economies ahead of implementing "core" SNA components.

B. International comparability

14. Another essential feature highlighted by several national statistical offices is international comparability, as it enables intercountry analyses and assessment of the collective growth of countries within the same region. Several countries noted their intention to join, form or strengthen regional economic groupings, and that provided an incentive for those countries to improve their SNA statistics. The Association of Southeast Asian Nations (ASEAN), European Union, Gulf States, the Southern Africa Customs Union and Customs Union of West African States were all cited as examples. Members of the Friends of the Chair group highlighted the importance to those economic unions of monitoring economic performance; as a result participating Governments give more attention to improving statistics.

C. Staff resources

15. Lack of staff resources has been a long-standing obstacle to the implementation process. Staff require a combination of relevant qualifications and 2-3 years of practical training before they are effectively familiar with the concepts behind the national accounts, and have adequate knowledge of data sources and the experience required to be effective compilers. Countries and members of the Working Group have noted that professional staff members should have at least a university graduate degree and/or have successfully undertaken national or overseas-based statistical training. Staff with expertise in national accounts are also

attractive employees for other government and private sector organizations. National statistical offices require a strategy to help retain valuable staff and ensure that regular training is in place to maintain a strong and knowledgeable team working on national accounts. National statistical offices need to enjoy the institutional status within national public services required to attract and retain skilled people.

16. Another impediment cited by some Friends of the Chair group members is the fragmentation of responsibility for SNA components between different agencies of their Governments. Decentralization can result in a lack of clarity about responsibilities and extra competition for scarce resources.

IV. Data resources

17. At the thirty-sixth session of the Commission in 2005, the Working Group reported the findings of a survey that was carried out by the Statistics Division to investigate the underlying factors that impeded implementation of the 1993 SNA. A major barrier to implementation was found to be data resources. This finding was confirmed in the 2008 report of the Working Group; barriers to implementation of the 1993 SNA were identified through regional consultations between 2006 and 2008. The Friends of the Chair group members also highlighted the lack of data resources as a significant barrier to the implementation process.

A. Ease of data collection

18. Data collection commonly involves undertaking surveys, which is an expensive activity, especially when ongoing surveying is required to track activity over time. The periodic implementation of new statistical standards, such as the 1993 SNA, the International Standard Industrial Classification, the Central Product Classification and revisions to other classifications, adds to the costs of survey operations. To avoid these expensive processes in data collection, many countries seek to make more use of administrative sources. However, it is evident from the questionnaire responses that countries have difficulty in accessing administrative data and have problems in maintaining business registers. In the absence of a reliable business register, countries cannot effectively collect basic economic statistics from establishment/enterprise surveys with sound sample frames or integrate data from tax and customs records or other administrative sources. The availability and the coverage of data require much attention and continuous evaluation of scope and coverage for the surveys conducted. Some countries are also faced with legal impediments to having their statistical agencies gain access to certain administrative data sets, such as taxation records and agricultural commodity data.

19. Friends of the Chair group members noted a lack of guidance with respect to compiling certain components of national accounts, such as the identification and classification of transactions relating to non-profit institutions serving households. Data sources relating to the informal sector and for the "underground" economy have been identified by developing countries and countries with significant economic activity falling outside the scope of "regulated" activity as an important aspect that is not adequately addressed in SNA manuals. Guidance is sought on

strategies for improving source data for informal sector activities and on methods for integrating formal and informal sector data.

B. Flexibility

20. While most countries represented in the Friends of the Chair group view the move to the 1993 SNA as essential, they view the move from the 1993 SNA to the 2008 SNA as "somewhat important". The national statistical offices noted that there is insufficient need expressed generally in their countries for the introduction of new methodology and new items in the national accounts. Furthermore, in responding to the questionnaire many countries noted that they do not have access to data, such as the value of defence weapons platforms and expenditure on research and development (the main new requirements for the 2008 SNA). This situation highlights the importance of flexibility in the application of the SNA recommendations. Attendees at the Friends of the Chair group meeting and the wider group responding to the questionnaire agreed that priority should be given to establishing national accounts figures that best serve countries' needs, reflect the changing global economy and the impact of other developments, such as technological advances.

C. Role of donors

21. Over time, there have been a number of international initiatives to help overcome these and other barriers and assist countries to develop their national accounts. However, some countries noted that international offers of assistance did not always align with countries' national statistical strategies. An example cited during the 2011 Friends of the Chair group meeting was when donor funding required undertaking a large-scale economic census which was inconsistent with the recipient country's strategy of basing its national accounts on a programme of annual sample surveys of producer enterprises. By devoting resources to undertake an economic census, the country's programme for implementing national accounts was set back. This was a strategy that fitted poorly with the recipient country's own statistical strategy.

V. Implications for proposed strategies of the Intersecretariat Working Group on National Accounts

22. The Working Group's implementation programme for the 2008 SNA is a global initiative that has the objective of assisting countries in developing the statistical and institutional capacity to make the conceptual changeover from the 1993 SNA to the 2008 SNA, and improve the scope, detail and quality of the national accounts and supporting economic statistics. The implementation programme is driven by three principles, which are: (a) adoption of a strategic national planning framework; (b) coordination, monitoring and reporting; and (c) improving statistical systems. In accordance with the above-mentioned principles, the Working Group defined four modalities of statistical capacity-building: (a) training and technical cooperation; (b) manuals and handbooks; (c) applied research; and (d) advocacy.

23. The Friends of the Chair group questionnaire sought reflection from group members on these principles and activities. The members agreed with the overall strategic framework but believed that Working Group organizations were not giving sufficient attention to their implementation. The respondents to the questionnaire highlighted the value of specific aspects of the strategies and activities of international organizations and suggested improvements for others. Countries generally believed that the strategies should put the implementation of the 2008 SNA within the broader context of the development of economic statistics.

A. Adoption of a strategic national planning framework

24. The majority of respondents indicated that promoting the adoption of a strategic national planning framework was the most effective strategy that international agencies could support. In countries, it is believed that national statistical strategic plans should incorporate national priorities for the development of national accounts to better engage support from respective Governments. Some national priorities, as indicated by Friends of the Chair group members, include the data requirements of regional economic groups, internal coherence and satellite accounts for industries or sectors of national importance. The plans should also recognize the importance of improving national institutional arrangements for compiling national accounts and priorities in improving source data, including overcoming legal and/or other obstacles to the statistical use of administrative data. National statistical plans not only need to incorporate the above-mentioned features but also to fit with government budget-setting processes if they are to be successful in securing funding.

B. Minimum set of national accounts

25. Countries seek to implement the System of National Accounts by compiling accounts and tables required for addressing policy issues considered the highest priority for a country. The foremost benchmark developed by the Working Group to assess the scope of accounts compiled by countries is the minimum required data set. At the meeting of the Working Group in February 2010, the members, among other things, recognized the need to revisit the implementation milestones and the minimum required data set to improve the implementation process of the 2008 SNA. The majority of Friends of the Chair group members have implemented the main accounts, such as those for production, income and use of income, highlighting their importance for identifying economic drivers and policy formulation. However, a few members indicated that other accounts, particularly balance sheets, are not as important to a country's needs and currently are not produced. In assessing the minimum required data set, the Working Group should ensure that priority is given to those SNA components that are most relevant to the national policy requirements of most countries.

C. Training and technical cooperation

26. Members of the Friends of the Chair group have suggested improvements to proposed international strategies/activities to deliver desired outcomes. All believe

that cooperation among countries within the same region should be supported to assist in the compilation of national accounts. In reference to training and technical cooperation, members have suggested that technical assistance should be furnished over longer periods. Countries have noted that extended periods of technical training increase the likelihood that staff would acquire and retain the benefits of the training and technical assistance.

D. Manuals and handbooks

27. Manuals and handbooks should be designed as simple "how-to" guides. There should be more emphasis on practical work in the process of compilation than theoretical or conceptual explanations, which are already well set out in "core" SNA documentation.

E. Advocacy

28. Advocacy is a Working Group strategy that countries which are represented in the Friends of the Chair group strongly supported. Advocacy is aimed at supporting ongoing dialogue among the producers of statistical outputs, the providers of basic data and the users of national accounts, and building the commitment of Governments to funding. Advocacy material needs to include practical case studies on countries, especially developing countries, that have benefited directly from having good national accounts. Senior representatives of influential multilateral agencies, such as the International Monetary Fund, the World Trade Organization and ASEAN, need to directly promote the importance of national accounts among senior officials and political leaders. Governments would give priority to producing national accounts components that most benefit their countries and meet the demands of users. Examples of specific areas of interest noted by countries include satellite accounts for specific sectors and industries, and meeting the data requirements of regional economic groupings. International organizations need to take account of national priorities and leverage local opportunities.

VI. Conclusions

29. The 2008 SNA implementation programme is aimed at assisting countries in developing the statistical and institutional capacity to improve the scope, detail and quality of the national accounts and supporting economic statistics. The implementation programme is driven by three principles; to achieve them, the Working Group has defined four modalities of statistical capacity-building. The Friends of the Chair group has strived to reflect on and suggest ways to improve these principles and activities to promote progress in the implementation of the System of National Accounts.

30. The Friends of the Chair group has identified the lack of effective political support and data resource limitations as the main impediments to the implementation process. This finding has been reflected in the suggestions made by the Friends of the Chair group for improving and modifying the Working Group strategies to better enable countries, especially developing countries, to enhance the

ability of the national accounts to meet national information priorities in line with the latest SNA standards.

31. The recommendations of the Friends of the Chair group to improve the implementation programme for the 2008 SNA are provided in the next section. The recommendations are grouped under the appropriate implementation strategies of the Working Group in the hope that the improvements and modifications would be incorporated by countries and international organizations in order to account for the impediments to the further development of national accounts.

VII. Recommendations

32. The Friends of the Chair group has reflected on and has provided suggestions to improve the implementation process for the System of National Accounts. The principles of the implementation programme of the Working Group are listed below in bold and the recommendations of the Friends of the Chair group are listed under the corresponding principles:

Adoption of a strategic national planning framework

(a) Key stakeholders, including users, data suppliers and funding agencies, need to agree to and/or be involved in the strategic national planning framework;

(b) The strategic national planning framework needs to incorporate national priorities for the development of national accounts, such as:

(i) Requirements of regional economic groups;

(ii) Internal coherence;

(iii) Satellite accounts for industries or sectors of national importance;

(c) For the strategic national planning framework there needs to be recognition of the importance of improving national institutional arrangements for compiling national accounts, strategies for recruiting and retaining skilled people, including raising the institutional status of national statistical offices, and priorities for improving source data, including overcoming legal or other obstacles to the statistical use of administrative data;

(d) The strategic national planning framework needs to incorporate the above features and fit with government budget-setting processes in order to enhance the capacity to secure funding;

Coordination, monitoring and reporting

(e) It needs to be ensured that international assistance does not impede existing national statistical strategies;

(f) Where appropriate, international organizations need to support countries in joining, forming or strengthening regional economic groupings, as that would provide an incentive for countries to improve their SNA statistics. Cooperation among countries within the same region also needs to be supported;

(g) In applying its guidelines on the minimum required data set for national accounts, the Working Group should give added weight to those components that are

most widely relevant to national policy requirements, in particular accounts on production, income and use of income;

(h) International organizations need to take account of national priorities, as outlined in the national planning frameworks, and seek to assist in leveraging local opportunities;

Improving statistical systems

(i) Training and technical cooperation:

(i) This strategy needs to include helping countries overcome the difficulties they face in accessing administrative data and problems in maintaining business registers;

(ii) This strategy needs to focus on longer-term and sustainable approaches to the training, retraining and retention of staff with relevant qualifications and experience;

(iii) Technical assistance needs to be provided over longer periods;

(j) Manuals and handbooks:

(i) Major revisions to national accounts data can undermine the confidence of Governments in their national statistical offices. Manuals should provide guidance on techniques for improving reliability and coherence, and on making improvements in timeliness and frequency without material erosion of reliability;

(ii) Guidance should be provided on the identification and classification of transactions relating to non-profit institutions serving households, the non-observed economy and other components of national accounts that are not adequately addressed;

(iii) Guidance should also be furnished on strategies for improving source data for informal sector activities and methods for integrating formal and informal sector data;

(iv) Manuals and handbooks need to put more emphasis on practical work in the process of compilation than on theoretical or conceptual explanations;

(v) Support should be provided for translating manuals and handbooks into the local language;

(k) Applied research: research should focus on the broader context of the development of national accounts and not just on matters relating to the implementation of concepts from the 2008 SNA. Areas such as improving data sources, practical guidance in the utilization of administrative records, construction and maintenance of business registers and methodologies for measuring the contribution of the informal sector/underground economy have been identified as significant obstacles to SNA development;

(l) Advocacy:

(i) This strategy needs to ensure that statistical offices and Governments are aware of the interdependence of SNA components and are appropriately focused on implementing "core" SNA elements. Governments need to

appreciate that their demands for quarterly GDP measures or for certain satellite accounts can be built only on a sound foundation of data sources, methods and strong institutional capability;

(ii) This strategy needs to help remove any legal impediments faced by statistical agencies gaining access to relevant administrative record data;

(iii) This strategy needs to be aimed at clarifying the responsibilities of different agencies of Government when responsibility for compiling SNA components are fragmented between different government agencies;

(iv) Influential people need to be enlisted to develop persuasive case studies.

VIII. Expressions of thanks

33. I wish to express my gratitude to the personnel of the national statistical agencies and the international agencies that cooperated in this exercise. Their insights and assistance were essential in the preparation of this report.

Brian Pink

Australian Statistician

Friends of the Chair group on the barriers to the implementation of the 1993 SNA.

IX. Points for discussion

34. **The Commission may wish to:**

(a) **Express its views on the report;**

(b) **Provide guidance on the recommendations set out in section VII above.**

Annex I

Terms of reference

1. The Friends of the Chair group on the barriers to the implementation of the *System of National Accounts 1993* is chaired by Australia and is constituted by selected experts from United Nations Member States: Botswana, Brazil, Cambodia, China, Indonesia, Oman, Peru, Russian Federation, Samoa, Senegal, the former Yugoslav Republic of Macedonia, Ukraine and United States of America. These countries reflect the range of knowledge and experience relevant to the development and production of national accounts in both developed and developing countries within various regions. The member institutions of the Intersecretariat Working Group on National Accounts participate as observers. The Working Group representatives play a collective role in the development of the System of National Accounts, in promoting its use and in developing strategies for supporting countries in its implementation. The Friends of the Chair group is also involved in assessment of the current strategy for implementing the System of National Accounts and, where relevant, suggesting improvements.

2. The Statistics Division of the Secretariat furnishes the group with secretarial and research support.

3. The terms of reference of the group state that the Friends of the Chair will:

(a) Review the progress of the implementation of the 1993 SNA, drawing as much as possible on existing work, such as that done by the regional commissions (for example, the project of the Economic and Social Commission for Asia and the Pacific to improve economic statistics in its region) and under the auspices of the Luxembourg Recommendations on Global Implementation and Outreach for the System of National Accounts;

(b) Identify the barriers to the implementation of the 1993 SNA, including but not restricted to:

(i) Underlying barriers to the development of national accounts;

(ii) The suitability of the 1993 SNA and/or 2008 SNA for developing countries. (Would the 1968 SNA serve their policy needs just as well?);

(iii) The "quantum leap" (perceived or real) required to move from the 1968 SNA to the 1993 SNA;

(iv) Components of the 1993 SNA and/or 2008 SNA which are perceived as barriers, such as the financial intermediation services indirectly measured and chain volume measures

(v) The need to compile multiple measures of gross domestic product (GDP) for international reporting requirements, such as production-based GDP for the Millennium Development Goals and expenditure-based GDP for the International Comparison Programme);

(vi) The lack of internal demand from national policy agencies driving implementation of the 1993 SNA.

4. The Friends of the Chair group will produce a succinct analysis of the barriers and suggest alternative approaches to developing appropriate macroeconomic

statistics for both developed and developing countries. These will include, but not be restricted to:

(a) The appropriateness of the goal of full implementation of the 1993 SNA and/or 2008 SNA in all countries;

(b) The possibility of developing tailored versions of the 1993 SNA and/or 2008 SNA or tailored guidelines to suit the real needs of a range of countries;

(c) The possibility of phased or modular implementation of the 1993 SNA and/or 2008 SNA;

(d) The anticipated time frame for large-scale implementation of the 1993 SNA and/or 2008 SNA to the point when 85 per cent of countries are compiling comparable and timely annual measures of GDP currently and across each of the next two decades.

Annex II

Outline of implementation process

1. After several years of preparation, the Statistical Commission approved the *System of National Accounts 1993* in February 1993. As a result of concerns expressed by the Commission at its thirty-fifth session in 2004, the Statistics Division of the Secretariat carried out a survey to investigate the underlying factors impeding implementation of the 1993 SNA. A report by the Intersecretariat Working Group on National Accounts in 2005 stated that, of the 191 States Members of the United Nations, 27 per cent had fulfilled the minimum required data set, which marked an increase over the level of previous years. This situation reflects an improvement in 1993 SNA implementation in Member States, but also highlights the low level of implementation overall. The report also detailed the findings of a survey highlighting the main barriers to implementation and proposed recommendations which were endorsed by the Commission at its thirty-sixth session in 2006. To reflect the changing economic environment, the Commission at its thirty-ninth session in 2008 adopted a new System of National Accounts (2008 SNA) as the international standard for national accounts statistics. At its fortieth session, the Commission approved the implementation programme of the Working Group for the 2008 SNA. The report of the Working Group detailing the implementation programme also provided an assessment of the level of SNA implementation between 2006 and 2008. Structural weaknesses in basic source data and institutional statistical capacity were identified as key impediments by the Statistics Division and international agencies.

2. A background report of the Working Group submitted to the forty-first session of the Commission in 2010 provided further details on the global initiative for implementation of the 2008 SNA. The document detailed the progress by various international organizations in training and research, training and technical cooperation activities, publication of manuals and handbooks and regional initiatives. Notable progress has been made by representatives of the Working Group and regional commissions in advancing the implementation of the 2008 SNA, with particular focus on developing countries and economies in transition. The Working Group also coordinates with other global statistical initiatives, such as the International Comparison Programme and the Partnership in Statistics for Development in the 21st Century.

3. At the forty-first session of the Commission, the Australian delegation suggested the formation of a friends of the chair group to assist the Commission in identifying the causes of the slow and limited adoption of the 1993 SNA, as well as make suggestions on the way forward, given that the 1993 SNA had been updated to the 2008 SNA. The Friends of the Chair group was established; it conducted a meeting at the Statistics Division on 19 February 2011, to which heads of statistical agencies from the Friends of the Chair group and representatives of the Working Group were invited. The meeting was attended by representatives of statistical offices in Australia, Brazil, Cambodia and Oman, and from the United States Bureau of Economic Analysis. Representatives of the Statistics Division, the Organization for Economic Cooperation and Development and Eurostat also attended the meeting. Attendees shared their knowledge and experience on various obstacles affecting the implementation of latest national accounts framework, giving particular attention to their experience in implementing the 1993 SNA.

4. Following the Friends of the Chair group meeting, the Australian Bureau of Statistics devised a questionnaire to elicit further detailed responses from the wider Friends of the Chair group on the views and experience of members on the barriers to successful implementation of the System of National Accounts. The questions sought to obtain insights into the challenges countries faced in implementing the System of National Accounts, suggestions on the way forward and reflections on the usefulness of past international initiatives. The questionnaire was sent to the Friends of the Chair member countries in August 2011 and responses from all member countries have since been received. Although individual responses to the questionnaire are kept confidential, summary conclusions have been drawn from the responses.